

Message Text

CONFIDENTIAL POSS DUPE

PAGE 01 MEXICO 01289 01 OF 04 142024Z

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ACTION ARA-20

INFO OCT-01 ISO-00 SPC-03 SAM-01 AID-20 EB-11 NSC-10

RSC-01 CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12

LAB-06 SIL-01 DODE-00 PM-07 H-03 L-03 PA-04 PRS-01

SAB-01 AGR-20 SCI-06 USIE-00 SSO-00 NSCE-00 INRE-00

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FM AMEMBASSY MEXICO CITY

TO SECSTATE WASHDC IMMEDIATE 99

C O N F I D E N T I A L SECTION 1 OF 4 MEXICO 1289

E.O. GDS

TAGS: OVIP, OCON, MX, XM

SUBJECT: MEXICAN DRAFT SUGGESTIONS FOR DOCUMENT TO BE DRAWN
UP BY THE CONFERENCE OF TLATELOLCO"

REF: MEXICO 1280

1. FOLLOWING IS TEXT OF MEXICAN DRAFT "SUGGESTIONS FOR
DOCUMENT TO BE DRAWN UP BY THE CONFERENCE OF TLATELOLCO"
AS PROMISED TO AMBASSADOR JOVA IN CONVERSATION WITH
AMBASSADOR DE LA COLINA (REFTEL) AND IN SEPARATE CONVERSATION
BETWEEN AMBASSADOR JOVA AND MANUEL TELLO.

"COOPERATION FOR DEVELOPMENT

WHILE IT IS TRUE THAT EACH COUNTRY IS PRIMARILY RESPONSIBLE
FOR ITS OWN DEVELOPMENT IN ACCORDANCE WITH THE PATTERN IT
CHOOSES, THE LATIN AMERICAN FOREIGN MINISTERS EXPRESS
THEIR SATISFACTION WITH THE POSITION OF THE GOVERNMENT OF
THE UNITED STATE OF AMERICA WHICH ACKNOWLEDGES ITS
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PAGE 02 MEXICO 01289 01 OF 04 142024Z

RESPONSIBILITY TO COLLABORATE IN THE DEVELOPMENT OF LATIN
AMERICA.

THE CONFERENCE DECLARES THAT FOR THE CONCEPT OF INTER-AMERICAN COOPERATION TO ACQUIRE REAL MEANING, IT IS NECESSARY THAT EFFECTIVE MEASURES BE ADOPTED BY COMMON CONSENT OF THE INTERESTED COUNTRIES WHICH WOULD TEND TO ACHIEVE AN INTEGRATED DEVELOPMENT OF THEIR PEOPLES, PREFERABLY THROUGH MULTILATERAL MECHANISMS.

EXPERIENCE HAS SHOWN THAT FOR THIS COOPERATION TO BE EFFECTIVE RELATIONS BETWEEN THE COUNTRIES OF THIS HEMISPHERE SHOULD BE BASED ON AN ABSOLUTE RESPECT FOR THE EQUALITY OF RIGHTS AND SELF-DETERMINATION OF ALL PEOPLES IRRESPECTIVE OF THE POLITICAL AND ECONOMIC SYSTEM WHICH EACH MEMBER COUNTRY MAY SOVEREIGNLY CHOOSE. IT IS FOR THIS REASON THAT THE CONFERENCE CONSIDERS IT NECESSARY TO ELIMINATE CONCEPTS SUCH AS TECHNICAL AND FINANCIAL ASSISTANCE WHICH ARE CONDITIONED TO POLITICAL FACTORS.

THE CONFERENCE REITERATES THE NECESSITY FOR THE UNITED STATES TO PAY HEED TO THE JUST ASPIRATIONS WHICH THE LATIN AMERICAN COUNTRIES HAVE EXPRESSED IN VARIOUS INTERNATIONAL AND REGIONAL FORUMS IN THE SENSE THAT THE DEVELOPED COUNTRIES SHOULD PROVIDE ASSISTANCE WHOSE MINIMAL AMOUNT WOULD BE EQUIVALENT TO ONE PER CENT OF THEIR GROSS NATIONAL PRODUCT AT MARKET PRICES WHICH WOULD REFLECT ACTUAL PRICES PAID, AS WELL AS PROGRESSIVELY INCREASE THE AMOUNT OF OFFICIAL AID FOR DEVELOPMENT IN ORDER TO REACH THE NET MINIMUM GOAL OF 0.7 PERCENT OF THEIR GROSS NATIONAL PRODUCT AT CURRENT MARKET PRICES. THE CONFERENCE LIKEWISE RECOGNIZES THAT FINANCIAL COOPERATION SHOULD SIGNIFY A REAL NET TRANSFER OF ASSETS IN FACTOR OF NATIONAL DEVELOPMENT PROGRAMS IN SUCH A MANNER AS TO TAKE INTO ACCOUNT THE PRIORITIES ESTABLISHED BY EACH COUNTRY IN ITS PROCESS OF INTEGRATED DEVELOPMENT.

THE LATIN AMERICAN FOREIGN MINISTERS DECLARE THAT IT IS INDISPENSABLE THAT THE UNITED STATES FULLY RESPOND TO THE ISSUES WHICH LATIN AMERICA HAS RAISED IN VARIOUS REGIONAL FORUMS (CECLA, CECON) AND INTERNATIONAL ONES (UN, UNCTAD, CONFIDENTIAL
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PAGE 03 MEXICO 01289 01 OF 04 142024Z

GATT) WITH REGARD TO THE NEED FOR INCREASING ITS RESPONSIBILITY IN COOPERATING FOR DEVELOPMENT, FOR EXAMPLE, IN CONNECTION WITH THE URGENT NECESSITY THAT IT ADOPT MEASURES TO PROMOTE THE FREEDOM OF HEMISPHERIC TRADE FOR A GREATER AND FREER ACCESS OF LATIN AMERICAN PRODUCTS TO ITS MARKETS. IN VIEW OF THIS SITUATION, THE CONFERENCE, WITH THE AIM OF INCREASING LATIN AMERICAN EXPORTS RECOMMENDS THE ADOPTION OF MEASURES TO ELIMINATE THE PRINCIPAL TARIFF AND NON-TARIFF BARRIERS WHICH LIMIT THE ACCESS OF LATIN AMERICAN PRODUCTS.

THE CONFERENCE IS ALSO IN AGREEMENT THAT IN ORDER TO PERFECT THE MECHANISMS FOR CONSULTATION AND NEGOTIATION IN THE FIELD OF COOPERATION FOR DEVELOPMENT, IT WILL BE INDISPENSABLE THAT THE CECON (SPECIAL COMMISSION FOR CONSULTATION AND NEGOTIATION) EFFECTIVELY ACHIEVE THE OBJECTIVES FOR WHICH IT WAS CREATED.

THE CONFERENCE RECOGNIZES THAT THE CECON HAS SO FAR NOT FULLY PERFORMED ITS FUNCTIONS DUE, AMONG OTHER REASONS, TO THE FACT THAT OBLIGATION TO CONVOKE IT TO CARRY OUT THE REQUIRED CONSULTATIONS WITH THE LATIN AMERICAN STATES IN THE TERMS OF RESOLUTION REM-1/70 OF THE CIES HAS NOT BEEN COMPLIED WITH. HENCE, THE CONFERENCE REITERATES THE NEED FOR INCLUDING IN THE REGULATORY NORMS TO BE ESTABLISHED A STIPULATION THAT CONSULTATION IS OBLIGATORY WHENEVER A NEW RESTRICTION IS ABOUT TO BE PUT INTO EFFECT OR WHEN, FOR SOME REASON, THE UNITED STATES PROPOSES TO ADOPT MEASURES WHICH WILL HINDER LATIN AMERICAN EXPORTS.

COERCIVE MEASURES OF AN ECONOMIC NATURE

THE CONFERENCE HAS DULY TAKEN INTO ACCOUNT THE FACT THAT INTERNATIONAL LAW PREVAILING IN THE AMERICAN HEMISPHERE EXPRESSLY PROVIDES THAT NO STATE MAY APPLY OR PROMOTE COERCIVE MEASURES OF AN ECONOMIC OR POLITICAL NATURE THAT ARE INTENDED TO CONSTRAIN THE SOVEREIGN WILL OF ANY OTHER STATE AND FORCE IT TO GRANT ADVANTAGES OF ANY TYPE WHATSOEVER. THIS PROHIBITION IS A FUNDAMENTAL COROLLARY OF THE PRINCIPLE OF NONINTERVENTION, WHICH EXCLUDES NOT ONLY ARMED FORCE BUT ALSO ANY OTHER FORM OF INTERVENTION OR ACTION TENDING TO HARM EITHER THE PERSONALITY OF THE
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PAGE 04 MEXICO 01289 01 OF 04 142024Z

STATE IN QUESTION OR THE POLITICAL, ECONOMIC, AND CULTURAL ELEMENTS THAT CONSTITUTE IT.
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PAGE 01 MEXICO 01289 02 OF 04 142035Z

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ACTION ARA-20

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C O N F I D E N T I A L SECTION 2 OF 4 MEXICO 1289

IN SPITE OF THE FOREGOING, THE STATES PARTICIPATING IN THIS CONFERENCE HAVE SEEN HOW, OUTSIDE THE FRAMEWORK OF INTERGOVERNMENTAL ORGANIZATIONS, SEVERAL STATES HAVE ILLICITLY APPLIED COERCIVE ECONOMIC MEASURES EITHER FOR POLITICAL MOTIVES OR TO PROTECT THE INTERESTS OF THEIR NATIONALS WHO ARE CONSIDERED TO HAVE BEEN HARMED BY DECISIONS TAKEN BY ANOTHER STATE FOR THE PURPOSE OF PROTECTING OR DEVELOPING ITS NATURAL RESOURCES IN FULL EXERCISE OF ITS SOVEREIGN RIGHTS AND IN CONFORMITY WITH ITS OWN PROGRAMS FOR ECONOMIC DEVELOPMENT. PARTICULARLY SERIOUS AND HARMFUL PRESSURES HAVE BEEN EXERTED ON INTERNATIONAL FINANCE INSTITUTIONS, LEADING TO THE POLITICAL CONDITIONING OF THE CREDITS THEY GRANT.

IN VIEW OF THIS SITUATION, THE STATES PARTICIPATING IN THE CONFERENCE HAVE AGREED TO REITERATE THEIR FIRM INTENTION TO REFRAIN, IN THEIR RECIPROCAL RELATIONS, FROM THE APPLICATION OF COERCIVE ECONOMIC MEASURES. THEY HAVE LIKEWISE AGREED TO MAKE GREATER USE OF ESTABLISHED PROCEDURES FOR CONSULTATION, IN ORDER TO SEARCH FOR ADEQUATE SOLUTIONS TO
CONFIDENTIAL
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PAGE 02 MEXICO 01289 02 OF 04 142035Z

CASES IN WHICH A STATE CONSIDERS ITSELF TO HAVE BEEN UNJUSTLY AFFECTED BY SUCH MEASURES.

RESTRUCTURATION OF THE INTER-AMERICAN SYSTEM

THE STATES PARTICIPATING IN THE CONFERENCE HAVE TAKEN NOTE OF THE WORK DONE BY THE SPECIAL COMMISSION IN CHARGE OF STUDYING THE INTER-AMERICAN SYSTEM AND PROPOSING MEASURES FOR ITS RESTRUCTURING DURING ITS MEETINGS IN LIMA AND WASHINGTON. THE CONFERENCE TAKES PARTICULAR SATISFACTION IN THE SPECIAL

COMMISSION'S DECISION TO REITERATE, AMONG OTHER PRINCIPLES, THE ONE OF NONINTERVENTION, WHICH ESPECIALLY PROHIBITS ALL DETRIMENTAL INTERFERENCE BY ANY STATE IN THE DOMESTIC OR FOREIGN AFFAIRS OF ANOTHER IN THE POLITICAL, ECONOMIC, AND SOCIAL FIELDS; AND TO STRESS THAT THE AMERICAN STATES WILL COOPERATE FULLY WITH ONE ANOTHER, REGARDLESS OF THE NATURE OF THEIR POLITICAL, ECONOMIC, AND SOCIAL SYSTEMS.

THE PARTICIPATING STATES ARE ALSO PLEASED AT THE RECOGNITION ACCORDED BY THE SPECIAL COMMISSION TO THE SUITABILITY OF REVISING THE INTER-AMERICAN TREATY FOR RECIPROCAL ASSISTANCE IN ORDER NOT ONLY TO ADAPT IT TO PREVAILING WORLD CIRCUMSTANCES BUT ALSO TO ELIMINATE EXISTING AMBIGUITIES IN THIS INTERNATIONAL INSTRUMENT.

IN VIEW OF THE ABOVE, THE CONFERENCE RECOGNIZES THAT CERTAIN MODIFICATIONS MUST BE MADE IN THE INTER-AMERICAN SYSTEM WHICH, WITHOUT WEAKENING OR IMPAIRING FULL OPERATION OF THE SYSTEM'S GUIDING PRINCIPLES, WILL PLACE IT IN A SITUATION MORE IN ACCORD WITH THE NEEDS AND ASPIRATIONS OF ALL ITS MEMBER STATES. TO ACHIEVE THIS AIM, A MORE EQUITABLE BALANCE MUST BE SOUGHT AMONG COUNTRIES IN THE SYSTEM AND ESPECIALLY BETWEEN LATIN AMERICA AND THE UNITED STATES.

THE TRANSFER OF TECHNOLOGY

THE CONFERENCE RECOGNIZES THE IMPORTANCE TO THE LATIN AMERICAN STATES OF THE ACQUISITION OF FOREIGN TECHNOLOGY AS A FUNDAMENTAL FACTOR IN THEIR DEVELOPMENT AND CONSIDERS JOINT ACTION INDISPENSABLE IN ORDER TO CONCERT ADEQUATE COMMERCIAL TRANSACTIONS IN THE FIELD OF TECHNOLOGY AND ESTABLISH
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PAGE 03 MEXICO 01289 02 OF 04 142035Z

APPROPRIATE MECHANISMS FOR HEMISPHERIC COOPERATION IN THE MATTER.

FOR THIS PURPOSE THE CONFERENCE CALLS ATTENTION TO THE FOLLOWING CONCEPTS:

A) MEASURES OF EVERY POSSIBLE NATURE MUST BE TAKEN TO ENSURE THAT COUNTRIES PROVIDING TECHNOLOGY, WHEN ARRANGING THE TRANSFER, OF BOTH PATENTED AND NON-PATENTED TECHNICAL KNOWLEDGE, SHALL TAKE INTO ACCOUNT PREVAILING CONDITIONS IN LATIN AMERICAN COUNTRIES IN ORDER TO MAKE INTENSIVE USE, SO FAR AS IS POSSIBLE, OF THE HUMAN AND MATERIAL RESOURCES AVAILABLE IN EACH ONE OF THEM.

B) RECOMMENDATIONS SHOULD BE MADE TO THE LICENSING ENTERPRISES, BY WHATEVER MEANS DEEMED APPROPRIATE, THAT ROYALTIES AND TECHNICAL ASSISTANCE PAYMENTS CHanneled TO COVER PART OF THE EFFORT MADE BY THE RECIPIENT COUNTRY IN RESEARCH AND

DEVELOPMENT BE ESTABLISHED TAKING AS THE BASIS, ON THE ONE HAND, ONLY THAT PART OF THEIR TECHNICAL KNOWLEDGE THAT THE ACQUIRING ENTERPRISES CAN EFFECTIVELY UTILIZE, AND, ON THE OTHER, THE DEGREE TO WHICH THE PRODUCTS AND PROCESSES HAVE BEEN DESIGNED TO SATISFY THE SPECIFIC REQUIREMENTS OF THE RECIPIENT COUNTRY.

C) SIMILARLY, RECOMMENDATION SHOULD BE MADE TO THE LICENSING ENTERPRISES TO ADOPT A MORE LIBERAL ATTITUDE IN REGARD TO THE EXPORTATION OF PRODUCTS MANUFACTURED UNDER LICENSE.

D) COLLABORATION IS NECESSARY IN THE REVISION OF INTERNATIONAL PATENT AND TRADEMARK CONVENTIONS, FOR THE PURPOSE OF FACILITATING ACCESS TO INDUSTRIAL KNOWLEDGE PROCESSES OF THE COUNTRIES IMPORTING TECHNOLOGY WHILE AT THE SAME TIME ELIMINATING THE RESTRICTIVE PRACTICES DERIVED FROM THE PRESENT SYSTEM OF INDUSTRIAL PROPERTY.

E) IT IS ADVISABLE TO INTENSIFY INTERNATIONAL TECHNICAL COOPERATION THROUGH SPECIFIC PROJECTS CAHNNELED TO STRENGTHEN, OR CREATE, AS THE CASE MAY BE, THE NECESSARY TECHNOLOGICAL INFRA-STRUCTURE AT A NATIONAL LEVEL TO PROMOTE A BETTER SELECTION, ADAPTATION AND ABSORPTION OF IMPORTED TECHNOLOGY.
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PAGE 04 MEXICO 01289 02 OF 04 142035Z

THE LATIN AMERICAN FOREIGN MINISTERS CONGRATULATE THE GOVERNMENT OF THE UNITED STATES FOR ITS GOODWILL IN COOPERATING WITHIN THE SPIRIT OF THE ANTI-MONOPOLISTIC LEGISLATION EXISTING IN THE UNITED STATES AND THROUGH THE APPROPRIATE CHANNELS, IN ORDER THAT UNITED STATES ENTERPRISES ELIMINATE ALL RESTRICTIVE PRACTICES IN THE TECHNOLOGICAL CONTRACTS CELEBRATED WITH LATIN AMERICAN ENTERPRISES. THEY ALSO CONGRATULATE THE GOVERNMENT OF THE UNITED STATES FOR ITS WILLINGNEESS TO COOPERATE, INSOFAR AS POSSIBLE, IN CHANNELING PUBLIC AND PRIVATE FINANCIAL RESOURCES IN THE FORM OF UNTIED LOANS TO LATIN AMERICAN COUNTRIES, IN ORDER TO PERMIT THE DEVELOPMENT OF THEIR OWN TECHNOLOGICAL CAPACITY AS WELL AS THE ACQUISITION OF LOCAL GOODS AND SERVICES.
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PAGE 01 MEXICO 01289 03 OF 04 142048Z

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ACTION ARA-20

INFO OCT-01 ISO-00 SPC-03 SAM-01 AID-20 EB-11 NSC-10

RSC-01 CIEP-02 TRSE-00 SS-20 STR-08 OMB-01 CEA-02

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12

LAB-06 SIL-01 DODE-00 PM-07 H-03 L-03 PA-04 PRS-01

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FM AMEMBASSY MEXICO CITY

TO SECSTATE WASHDC IMMEDIATE 101

C O N F I D E N T I A L SECTION 3 OF 4 MEXICO 1289

TRANSNATIONAL ENTERPRISES

THE CONFERENCE ACKNOWLEDGES THAT THE MAGNITUDE OF HUMAN, TECHNOLOGICAL AND FINANCIAL RESOURCES AVAILABLE TO TRANSNATIONAL ENTERPRISES ARE OF EXTRAORDINARY IMPORTANCE AND ARE EVEN ESSENTIAL TO THE DEVELOPMENT OF THE COUNTRIES IN WHICH THEY OPERATE, BUT THAT THESE SAME ELEMENTS GIVEN THEM A POWER THAT, ON BEING EMPLOYED IN THE SERVICE OF THE AIMS OF THE TRANSNATIONAL ENTERPRISES AND WITHOUT TAKING INTO CONSIDERATION THE LEGITIMATE INTERESTS AND NEEDS OF THE REGIONS IN WHICH THEY OPERATE, OFTEN CONSTITUTE A DANGER TO THE NORMAL ECONOMIC, POLITICAL AND SOCIAL DEVELOPMENT OF SUCH REGIONS. THESE PROBLEMS ARISE BOTH IN THEIR HOME COUNTRY, WHERE THEY TEND TO FORM OLIGOPOLIES OR MONOPOLIES, OFTEN PROHIBITED BY LAW, AS WELL AS IN THE HOST COUNTRIES, WHERE THEY OFTEN PRESENT GRAVER RISKS, OWING TO THOSE COUNTRIES' MORE VULNERABLE SOCIO-POLITICAL STRUCTURES.

THE SPECIALIZED INTER-AMERICAN CONFERENCE ON PRIVATE INTERNATIONAL LAW, WHICH WILL BE CONVENED BY THE GENERAL ASSEMBLY OF THE
CONFIDENTIAL
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PAGE 02 MEXICO 01289 03 OF 04 142048Z

O.A.S., PLANS TO STUDY TRANSNATIONAL ENTERPRISES FOR THE PURPOSE OF ESTABLISHING A LEGAL FRAMEWORK FOR THEIR OPERATION. THE UNITED NATIONS HAS ALSO BEEN CONCERNED ABOUT THIS PROBLEM AND AT ITS MEETING HELD ON 28 NOVEMBER 1972, THE U.N. GENERAL ASSEMBLY DEEMED IT ADVISABLE TO ENTRUST VARIOUS U.N. AGENCIES OR COMMISSIONS WITH THE STUDY OF THE

TOPIC OF TRANSNATIONAL ENTERPRISES. IN VIEW OF THE SIZE AND URGENCY OF THE PROBLEMS ARISING FROM TRANSNATIONAL ENTERPRISES, THE CONFERENCE CONSIDERS IT ADVISABLE TO:

- A) REQUEST THE UNITED NATIONS TO TAKE THE NECESSARY STEPS TO BRING TO A CONCLUSION ITS STUDIES ON THIS SUBJECT.
- B) REITERATE THAT TRANSNATIONAL ENTERPRISES MUST COMPLY WITH THE LAWS OF THEIR HOME COUNTRIES, AS WELL AS THOSE OF THE RECIPIENT COUNTRIES AND THAT, IN THEIR OPERATIONS, THEY SHOULD ABSTAIN FROM ANY INTERVENTION IN THE POLITICAL SYSTEM OF EITHER COUNTRY AND ADAPT THEMSELVES TO THE SOCIAL AND CULTURAL CONDITIONS OF BOTH COUNTRIES, WITHOUT DISTURBING THEIR ECONOMY OR INTERFERING WITH THEIR CULTURAL DEVELOPMENT.
- C) PREPARE A CODE OF CONDUCT, WHICH IS ALREADY IN THE PLANNING STAGE, TO BE APPLIED TO TRANSNATIONAL ENTERPRISES.
- D) DRAW UP A STANDARD LAW THAT CAN SERVE AS A MODEL FOR THE DRAFTING OF LOCAL LEGISLATION.

THE PANAMA CANAL QUESTION

THE STATES PARTICIPATING IN THE CONFERENCE EMPHASIZED THEIR PLEASURE AT THE SUCCESS ACHIEVE IN THE DIPLOMATIC NEGOTIATIONS BETWEEN PANAMA AND THE UNITED STATES AIMED AT OBTAINING AN ADEQUATE AND JUST SOLUTION TO THE PANAMA CANAL QUESTION. IN THIS RESPECT THE CONFERENCE CAN DO NO LESS THAN RECALL BOTH THE FACT THAT IT WAS DURING THE CONFERENCE OF LATIN AMERICAN FOREIGN MINISTERS FOR HEMISPHERIC COOPERATION HELD IN BOGOTA LAST NOVEMBER WHERE, FOR THE FIRST TIME THE LATIN AMERICAN COUNTRIES THERE REPRESENTED WERE UNANIMOUS IN DECLARING THAT THE SOLUTION OF THE PANAMA CANAL QUESTION WAS A MATTER OF COMMON AND PRIORITY INTEREST FOR LATIN AMERICA, AS WELL AS THAT IT WAS ON THAT OCCASION THAT LATIN AMERICA EXPRESSED ITS HOPE THAT THE PROCESS OF NEGOTIATIONS BETWEEN THE TWO COUNTRIES DIRECTLY INVOLVED WOULD

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PAGE 03 MEXICO 01289 03 OF 04 142048Z

TERMINATE IN A SOLUTION WHICH WOULD SATISFY THE JUST ASPIRATIONS OF THE REPUBLIC OF PANAMA.

IN VIEW OF THE ABOVE, THE CONFERENCE CONSIDERS THAT THE PRELIMINARY AGREEMENT WHICH HAS BEEN REACHED IN THIS MATTER IS CONCRETE PROOF THAT THERE IS PRESENTLY TAKING FORM IN THE HEMISPHERE A SPIRIT OF FRIENDSHIP BASED ON EQUALITY AND DUE REGARD FOR THE DIGNITY OF EACH AMERICAN STATE.

INTERNATIONAL TRADE STRUCTURE AND MONETARY SYSTEM

THE CONFERENCE IS AWARE OF THE NEED FOR LATIN AMERICAN COUNTRIES TO INCREASE THEIR PARTICIPATION IN INTERNATIONAL

TRADE AND TO ESTABLISH BASES FOR A MORE JUST AND EQUITABLE
WORLD ECONOMIC ORDER WHICH WILL IMPROVE ITS INTERNATIONAL
FRAMEWORK AND ELIMINATE OBSTRUCTIVE PROTECTIONIST MEASURES.

THE LATIN AMERICAN STATES STRESS THAT PARTICIPATION OF THE
UNITED STATES IN MULTILATERAL TRADE NEGOTIATIONS MUST
CONTRIBUTE TO SUBSTANTIAL IMPROVEMENT REGARDING ACCESS OF
THE PRODUCTS OF THESE STATES TO WORLD MARKETS; THE ADOPTION
OF NECESSARY MEASURES TO ENSURE STABLE, COMPARABLE AND
REMUNERATIVE PRICES; AND, IN GENERAL, TOWARD ASSISTING
DEVELOPING COUNTRIES IN THIS REGION IN OBTAINING SUBSTANTIAL
INCREASES IN FOREIGN EXCHANGE INCOME, DIVERSIFICATION IN
THEIR EXPORTS, ACCELERATION OF THE RATE OF GROWTH IN THEIR
TRADE AND GREATER PARTICIPATION IN THE PROCESSING OF THEIR
RAW MATERIALS FOR EXPORT, WITH DUE CONSIDERATION FOR
THEIR DEVELOPMENT NEEDS.

THE CONFERENCE REAFFIRMS THE NEED FOR DEVELOPED COUNTRIES
NOT TO EXPECT RECIPROCITY FROM DEVELOPING COUNTRIES DURING
SUCH MULTILATERAL TRADE NEGOTIATIONS WITH REGARD TO
REDUCTION OR ELIMINATION OF TARIFF OR OTHER BARRIERS
INCOMPATIBLE WITH THEIR DEVELOPMENT, FINANCIAL AND TRADE
REQUIREMENTS. IT THEREFORE AGREES ON THE NEED TO APPLY
DIFFERENTIAL TREATMENT TO DEVELOPING COUNTRIES IN ALL AREAS
OF NEGOTIATION, IN ORDER TO PROVIDE THEM WITH SPECIAL AND
MORE FAVORABLE CONDITIONS.

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PAGE 04 MEXICO 01289 03 OF 04 142048Z

THE CONFERENCE STRESSES THE URGENT NEED FOR THE UNITED
STATES TO IMPLEMENT A SYSTEM OF GENERALIZED PREFERENCES FOR
MANUFACTURED AND SEMI-MANUFACTURED GOODS IMPORTED FROM
DEVELOPING COUNTRIES. IT ALSO REASSIRMS ITS HOPE THAT
THIS SYSTEM WILL INCLUDE THE GREATEST NUMBER OF PRODUCTS
OF INTEREST TO LATIN AMERICA LISTED IN CHAPTERS 1 TO 24
OF THE BRUSSELS TARIFF NOMENCLATURE. IT MOREOVER
REITERATES THE NEED TO ELIMINATE
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PAGE 01 MEXICO 01289 04 OF 04 142120Z

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INFO OCT-01 ISO-00 SPC-03 SAM-01 AID-20 EB-11 NSC-10

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C O N F I D E N T I A L SECTION 4 OF 4 MEXICO 1289

THE CONFERENCE ALSO EMPHASIZES THE NEED FOR CONSOLIDATION AND BROADENING OF THE GENERALIZED SYSTEM OF PREFERENCES IN FUTURE MULTILATERAL TRADE NEGOTIATIONS AND THE PROVISION OF ADEQUATE COMPENSATION TO THE AFFECTED COUNTRIES SHOULD THE SYSTEM FALTER.

WITH REGARD TO THE IMPORTANT QUESTION OF WORLD MONETARY REFORM, THE CONFERENCE FEELS THAT THE CLOSE RELATIONSHIP BETWEEN THIS PROBLEM AND WORLD TRADE PROBLEMS SHOULD BE STRESSED. WHEN THE COMMITTEE OF TWENTY WAS CREATED TO STUDY REFORM OF THE INTERNATIONAL MONETARY SYSTEM, THE ASSEMBLY OF GOVERNORS OF THE IMF ESTABLISHED AS ITS OBJECTIVES PROMOTION OF WORLD TRADE, MAINTENANCE OF HIGH LEVELS OF EMPLOYMENT, AND MOBILIZATION OF RESOURCES FOR DEVELOPMENT, ALL WITHIN CONDITIONS OF STABILITY.

DECISIONS IN THE MONETARY FIELD MUST ACTIVATE TRADE AND CONSEQUENTLY PROMOTE DEVELOPMENT OF THE WORLD ECONOMY. THESE TOPICS ARE OF FUNDAMENTAL IMPORTANCE TO LATIN AMERICA AND IT THEREFORE INSISTS THAT INTERNATIONAL MONETARY REFORM MUST
CONFIDENTIAL
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PAGE 02 MEXICO 01289 04 OF 04 142120Z

BE EFFECTED WITH THE BROADEST POSSIBLE PARTICIPATION OF THE REPRESENTATIVES APPOINTED BY ALL MEMBER STATES OF THE IMF. THE CONFERENCE CONSIDERS IT UNSUITABLE FOR A MINORITY GROUP TO JUDGE AND DECIDE UPON THE SUBSTANTIVE ELEMENTS OF A REFORM WHICH MAY BE CRUCIAL FOR THE FUTURE OF COUNTRIES ON THE AMERICAN CONTINENT. UNIVERSAL PARTICIPATION WILL ENSURE THAT THE SYSTEM TO BE ESTABLISHED WILL BE EQUITABLE AND THAT THE RESPONSIBILITY FOR TAKING MEASURES TO CORRECT IMBALANCES WILL FALL ON LARGE AND SMALL, SURPLUS AND DEFICIT COUNTRIES ALIKE, AND NOT ONLY ON THOSE WHICH BECAUSE OF THEIR SIZE OR LEVEL OF DEVELOPMENT HAVE BORNE A PROPORTIONATELY LARGER AND INEQUITABLE BURDEN.

THE LATIN AMERICAN STATES VIEW MONETARY REFORM AS AN INTEGRAL TRIPARTITE PROCESS IN THE RESTRUCTURING OF THE

WORLD'S ECONOMIC FOUNDATIONS. THEY THEREFORE BELIEVE THAT A MECHANISM SHOULD BE ESTABLISHED AT THE SAME TIME, AND IN RELATION TO THE RESTRUCTURING OF THE INTERNATIONAL MONETARY SYSTEM, FOR THE TRANSFER OF REAL RESOURCES TOWARD LESS DEVELOPED NATIONS IN ADEQUATE QUANTITIES AND UNDER APPROPRIATE CONDITIONS. MOREOVER, ARRANGEMENTS SHOULD BE MADE TO PROVIDE FOR GREATER ACCESS OF DEVELOPING COUNTRIES TO THE CAPITAL AND TRADE MARKETS OF INDUSTRIALIZED COUNTRIES. THEY ALSO CONSIDER THAT PROGRESS MUST BE MADE IN THE SYSTEMATIC INSTITUTIONALIZATION OF THE TRANSFER OF REAL RESOURCES TO DEVELOPING NATIONS.

AT THE ANNUAL ASSEMBLY OF GOVERNORS OF THE IMF IN NAIROBI, LATIN AMERICA STATED THAT IT DOES NOT ACCEPT A MONETARY REFORM WHICH DOES NOT INCLUDE THE TRANSFER OF REAL RESOURCES TO DEVELOPING COUNTRIES, DOES NOT GRANT EQUITABLE TREATMENT TO ALL COUNTRIES OF THE COMMUNITY BY TAKING INTO CONSIDERATION THE PARTICULAR CHARACTERISTICS OF EACH, AND WHICH DOES NOT ESTABLISH A CODE OF CONDUCT IN THE FIELDS OF CURRENCY, DEVELOPMENT FINANCING AND INTERNATIONAL TRADE.

A GENERAL PANORAMA OF THE RELATIONS BETWEEN LATIN AMERICA AND THE UNITED STATES

THE CONFERENCE FEELS THAT, AS IS FITTING FOR JURIDICAL AND POLITICAL ENTITIES LOCATED ON THE SAME CONTINENT, RELATIONS BETWEEN LATIN AMERICA AND THE UNITED STATES SHOULD BE
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PAGE 03 MEXICO 01289 04 OF 04 142120Z

STRENGTHENED IN ORDER TO REACH THE HIGHEST LEVELS OF UNDERSTANDING AND COOPERATION IN THE AIM OF FUTHERING HEMISPHERIC COEXISTENCE AND PROVIDING NEW EXPRESSIONS TO THE INTER-AMERICAN IDEAL. THIS STRENGTHENING MUST BE BASED ON CLOSE ECONOMIC COOPERATION DESIGNED TO SOLVE THE HEMISPHERE'S PROBLEMS, ESPECIALLY THOSE REGARDING DEVELOPMENT OF LATIN AMERICAN COUNTRIES.

AT THE SAME TIME, THE CONFERENCE IS AWARE OF THE OBVIOUS AND PROFOUND DIFFERENCES EXISTING BETWEEN BOTH ENTITIES FOR HISTORIC AND CULTURAL REASONS AS WELL AS FOR THE DEGREE OF WEALTH, POWER AND WORLD INFLUENCE ATTAINED BY THE UNITED STATES. THESE DIFFERENCES HAVE BROUGHT ABOUT DIVERSE APPROACHES AND OPINIONS REGARDING CONTINENTAL ECONOMIC COOPERATION AND POLITICAL DIALOGUE. THE CONFERENCE AFFIRMS THE DESIRABILITY OF OVERCOMING THESE OBSTACLES BY MEANS OF A PERMANENT, REALISTIC AND OBJECTIVE DIALOGUE BEARING IN MIND THE GUIDING PRINCIPLES OF HEMISPHERIC COEXISTENCE.

IN VIEW OF THE ABOVE, AND CONVINCED OF THE URGENCY OF IMPLEMENTING THESE GOALS AS SOON AS POSSIBLE, THE STATES PARTICIPATING IN THE CONFERENCE HAVE RESOLVED TO STRENGTHEN

THE MECHANISMS FOR ECONOMIC COOPERATION ON EQUITABLE AND JUST BASES.

WITH REGARD TO THE NEED TO BROADEN THE BASIS OF HEMISPHERIC POLITICAL DIALOGUE, THE CONFERENCE ACKNOWLEDGES THAT IT IS POSSIBLE TO ARRIVE AT JUST SOLUTIONS WHICH TAKE THE INTERESTS OF BOTH PARTIES INTO CONSIDERATION. CONSEQUENTLY, IT BELIEVES IT SUITABLE TO CONTINUE THE CONSULTATIVE PROCESS IN A MANNER SIMILAR TO THIS CONFERENCE."

2. COMMENTS FOLLOW BY SEPTTEL.
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